

AMENDED IN ASSEMBLY AUGUST 22, 2012

AMENDED IN ASSEMBLY AUGUST 9, 2012

AMENDED IN ASSEMBLY AUGUST 6, 2012

AMENDED IN ASSEMBLY JUNE 25, 2012

AMENDED IN ASSEMBLY JUNE 4, 2012

AMENDED IN SENATE JUNE 9, 2011

SENATE BILL

No. 878

Introduced by Senator DeSaulnier
(Coauthor: Assembly Member Bonnie Lowenthal)

February 18, 2011

An act to add Part 5.1 (commencing with Section 14460) to Division 3 of Title 2 of the Government Code, relating to transportation.

LEGISLATIVE COUNSEL'S DIGEST

SB 878, as amended, DeSaulnier. Office of the Transportation Inspector General.

Existing law creates various state transportation agencies, including the Department of Transportation and the High-Speed Rail Authority, with specified powers and duties. Existing law provides for the allocation of state transportation funds, including fuel tax revenues allocated from the Highway Users Tax Account, to various transportation purposes. Existing law provides funding for transportation capital improvement projects undertaken by the department or regional or local transportation agencies.

This bill would create the Office of the Transportation Inspector General in state government as an independent office that would not

be a subdivision of any other government entity, to ensure that all state, regional, and local agencies expending state transportation funds are operating efficiently, effectively, and in compliance with federal and state laws. The bill would provide for the Governor to appoint the Inspector General for a 6-year term, subject to confirmation by the Senate, and would provide that the Inspector General may not be removed from office during the term except for good cause. The bill would specify certain duties and responsibilities of the Inspector General, would require an annual report to the Legislature and Governor, and would provide for funding the office, to the extent possible, from federal transportation funds, with other necessary funding to be made available in proportion to the activities of the office from the Highway Users' Tax Account and an account from which high-speed rail activities may be funded.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Part 5.1 (commencing with Section 14460) is
2 added to Division 3 of Title 2 of the Government Code, to read:

3
4 PART 5.1. OFFICE OF THE TRANSPORTATION INSPECTOR
5 GENERAL
6

7 14460. (a) There is hereby created in state government the
8 independent Office of the Transportation Inspector General, which
9 shall not be a subdivision of any other governmental entity, to
10 ensure that the Department of Transportation, the High-Speed Rail
11 Authority, and all other state, regional, and local agencies
12 expending state transportation funds are operating efficiently,
13 effectively, and in compliance with applicable federal and state
14 laws.

15 (b) The Governor shall appoint, subject to confirmation by the
16 Senate, the Transportation Inspector General to a six-year term.
17 The Transportation Inspector General may not be removed from
18 office during that term, except for good cause.

19 (c) The Transportation Inspector General shall review policies,
20 practices, and procedures, and conduct audits and investigations
21 of all activities involving state transportation funds in consultation

1 with all affected agencies. Specifically, the Transportation Inspector
2 General's duties and responsibilities shall include, but not be
3 limited to, all of the following:

4 (1) To identify best practices in the delivery of transportation
5 projects and develop policies or recommend proposed legislation
6 enabling the state and local agencies to adopt these practices when
7 practicable.

8 (2) (A) To provide objective analysis of, and when possible,
9 offer solutions to, concerns raised by the public or generated within
10 agencies involving the state's transportation infrastructure and
11 project delivery methods.

12 (B) *The Transportation Inspector General may undertake*
13 *analyses of concerns raised pursuant to this paragraph regarding*
14 *regional or local agencies only if they involve allegations of*
15 *"fraud, waste, or abuse" as that term is used in subdivision (f) of*
16 *Section 53087.6.*

17 (3) To conduct, supervise, and coordinate audits and
18 investigations relating to the programs and operations of all state,
19 regional, and local transportation agencies with state-funded
20 transportation projects. *This paragraph shall not apply to any*
21 *regional or local transportation agency programs or operations*
22 *that do not include any state funding, or to any state programs or*
23 *operations with projects or activities that do not include more than*
24 *25 percent state funding.*

25 (4) To recommend policies promoting economy and efficiency
26 in the administration of programs and operations of all state,
27 regional, and local transportation agencies with state-funded
28 transportation projects.

29 (d) (1) *The Transportation Inspector General's office shall not*
30 *conduct any audit or investigation that would be redundant to or*
31 *concurrent with any audit or investigation of the same matter being*
32 *conducted contemporaneously by another state, regional, or local*
33 *entity, or planned to be initiated pursuant to state or federal law,*
34 *local ordinance, or adopted agency board policy within 18 months*
35 *of the notification of the intent to undertake the audit or*
36 *investigation by the Transportation Inspector General. The state,*
37 *regional, or local entity shall provide the Transportation Inspector*
38 *General with a summary of the results of the audit or investigation*
39 *upon its completion, if requested.*

40 (d)

1 (e) The Transportation Inspector General shall report annually
2 to the Governor and Legislature with a summary of his or her
3 findings, investigations, and audits. The summary shall be posted
4 on the Transportation Inspector General's Internet Web site and
5 shall otherwise be made available to the public upon its release to
6 the Governor and Legislature. The summary shall include, but
7 need not be limited to, significant problems discovered by the
8 Transportation Inspector General and whether recommendations
9 of the Inspector General relative to investigations and audits have
10 been implemented by the affected agencies. The report shall be
11 submitted to the Legislature pursuant to Section 9795.

12 ~~(e)~~

13 (f) The Transportation Inspector General shall, in consultation
14 with the Department of Finance, develop a methodology for
15 producing a workload budget to be used for annually adjusting the
16 budget of the Office of the Transportation Inspector General,
17 beginning with the budget for the 2013–14 fiscal year. To the
18 extent possible, the office shall be funded with federal
19 transportation funds. Should federal funding not be available to
20 fully fund this office, funding shall be made available, in proportion
21 to the activities of the office, from the Highway Users Tax Account
22 and an account from which high-speed rail activities may be
23 funded.